



Australian Government

Department of Education, Employment and Workplace Relations

FNSACCT505B Establish and maintain accounting information systems

Release: 1

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Modification History

Not applicable.

Unit Descriptor

This unit covers the competency to establish and maintain accounting information systems.
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Application of the Unit

This unit requires the application of skills and knowledge required to establish and maintain accounting information systems. The unit encompasses identifying record and system requirements, evaluation of alternative systems, acceptance testing systems, preparing system documentation, implementing reporting systems and records, monitoring reporting systems and reviewing reporting procedures.

The unit can be applied across the financial services sector and applies to those positions that are responsible for the selection of accounting information systems.

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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements. The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements define the essential outcomes of a unit of competency.

Performance Criteria describe the required performance needed to demonstrate achievement of the Element. **Bold, italicised** terms are elaborated in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

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Elements and Performance Criteria

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Element	Performance Criteria
1 Identify record and system requirements	1.1 Comprehensive specifications are prepared based on requirements of potential users
	1.2 Conflicting requirements are identified and solutions are negotiated prior to and during development process
	1.3 Objectives are defined and specifications documented to establish the expected inputs, outputs and means of delivery
	1.4 System and record requirements are prioritised according to importance and urgency of user needs
	1.5 Security requirements to maintain system integrity are identified and incorporated into the system design
	1.6 Features of existing system (if any) and records are reviewed to establish their suitability and usability
	1.7 Recording processes are established according to accepted practice and in accordance with legislation and codes of practice
2 Evaluate alternative systems	2.1 Features of various systems are compared and measured against user requirements to enable identification of alternative systems and solutions
	2.2 Cost-benefit analysis on alternative systems and solutions is carried out and subsequent

recommendations are documented

- 3 Acceptance test system
 - 3.1 **System is tested** in an operational environment to ensure compliance with user requirements, system specifications and with relevant legislation or industry codes of practice
 - 3.2 Formal confirmation from all users is obtained on acceptability of new system/system changes against all criteria and **system specifications**
- 4 Prepare system documentation
 - 4.1 System documentation is prepared thoroughly and accurately using clear and simple language and in a clear format to enable system implementation and training
 - 4.2 Users are consulted to ensure clarity, accuracy, thoroughness and usability of system documentation
 - 4.3 System documentation is made easily accessible and is constantly reviewed and updated to ensure currency and accuracy
- 5 Implement reporting systems and records
 - 5.1 Implementation is carried out in accordance with specified guidelines and timelines
 - 5.2 Contingency plans are established to deal with potential delays or problems
 - 5.3 Effective training schedules and programs are established to support implementation
 - 5.4 All data is transferred from existing to new/modified system and records without error or loss
 - 5.5 Systems and records are updated regularly to identify ongoing benefits and threats to the organisation
 - 5.6 Files are maintained within **organisational and statutory requirements** and **discrepancies** identified and remedied
 - 5.7 Integrity of systems and records complies with organisational and statutory requirements
 - 5.8 **Transactions** are monitored to identify **taxation**

and other liabilities

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|---|-----------------------------|---|
| 6 | Monitor reporting systems | 6.1 Transactions are analysed and accounted for completely and are correctly related to accounting period |
| | | 6.2 Processes for recording and classifying transactions are communicated and promoted to support internal verification of records |
| | | 6.3 Sources of input data and documentation are standardised in structured formats to minimise errors |
| | | 6.4 Back-ups are maintained in accessible location to safeguard data in accordance with organisational and audit requirements |
| 7 | Review reporting procedures | 7.1 Sources of input data and documentation records are systematically checked for accuracy and reliability |
| | | 7.2 Reporting requirements are established and analysed regularly to identify variations and compliance with established processes for recording and classifying transactions |
| | | 7.3 Written reports, explanatory notes and financial results are maintained to support source documentation |

Required Skills and Knowledge

REQUIRED KNOWLEDGE&SKILLS

Knowledge requirements include:

common routines for recording and storing data
principles of internal control (including statutory reporting)
methods of data protection including back ups and security
principles and practices of budgetary control (eg double entry bookkeeping and accrual accounting)
financial legislation (eg taxable transactions, reporting requirements)
ethical considerations for the handling of financial reconstruction (eg conflict of interests, confidentiality, disclosure requirements)

Skills requirements include:

research skills for tracing use of financial data
writing skills for report preparation of procedures
planning skills for evaluating routines for handling data
working with others to establish, maintain and review accounting information systems
interpersonal skills for problem solving
information technology use for the set up and analysis of spreadsheets

Evidence Guide

EVIDENCE GUIDE

Assessment of performance requirements in the unit should be undertaken in an industry context. The Evidence Guide identifies the critical aspects, knowledge and skills to be demonstrated to confirm competency for the unit. Competency is demonstrated by performance of all stated criteria including the Range Statement applicable to the workplace.

Overview of assessment requirements

To achieve competency in this unit, a person must be able to demonstrate:

knowledge of organisational and statutory requirements

knowledge of organisational policies and procedures

knowledge of taxation and other liabilities

knowledge of relevant legislation and industry codes of practice

ability to identify record and systems requirements

ability to evaluate alternative systems

ability to acceptance test systems

ability to prepare systems documentation

ability to implement reporting systems and records

ability to monitor reporting systems

ability to review reporting procedures

Critical aspects of evidence

Evidence required for demonstration of consistent performance:

Competence in this unit must be assessed over a period of time in order to ensure consistency of performance over the Range Statement and contexts applicable to the work environment.

Delivery/assessment relationship to other units:

This unit may be assessed on its own or it may be assessed with other units that cover related skills and knowledge.

Evidence is most relevant when provided through an integrated activity which combines the elements of competency for the unit, or a cluster of units of competency.

Assessment requirements

Method of assessment:

For valid and reliable assessment of this unit,

evidence should be gathered through a range of methods to indicate consistent performance.

Assessment of this unit of competence will usually include observation of processes and procedures, oral and/or written questioning on underpinning knowledge and skills and other methods as required.

Context of assessment:

Assessment of performance requirements in this unit should be undertaken within the financial services industry context and should cover aspects of personal/financial responsibility and accountability.

Aspects of competency, including the attainment of relevant knowledge and skills, may be assessed in a relevant workplace, a closely simulated work environment, or other appropriate means that clearly meet industry competency requirements.

Resources required for assessment:

Assessment of this unit of competence requires access to suitable resources to demonstrate competence.

Assessment instruments, including personal planner and assessment record book.

Access to registered provider of assessment services.

Range Statement

The Range Statement relates to the unit of competency as a whole. It allows for different work environments and situations that will affect performance.

The following variables may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts. If **bold italicised** text is shown in Performance Criteria, details of the text are provided in the Range Statement.

Systems and records may include:

- software packages
- user manuals
- proformas and other documents
- management information systems

Records may include:

- asset management accounts
- loan accounts
- expense accounts
- cash and trading accounts
- credit balances
- electronic formats (eg forms, spreadsheets)
- master files
- client histories

System testing may include:	running current system in parallel with new/modified system for defined periods of time ensuring operational capability matches system specifications and user requirements
Company policy and guidelines may include:	accounts and records auditing practices and procedures client service clerical and administrative systems information technology corporate governance
Legislation and industry codes of practice may include:	Australian Accounting Standards Australian Auditing Standards Taxation Law Privacy Act Corporations Law Contracts Law Trade Practices Law Trust Law Consumer Affairs Law relevant industry codes of practice Australian Institute of Company Directors policies corporate governance
System specifications and features may include:	cost compliance and reporting requirements technical, functional and operational features integration with existing/other systems, data and records company policies and guidelines applicable to large, medium or small organisations
Organisational and statutory requirements may include:	reporting requirements (eg financial reporting cycles)

financial analysis assessments (eg growth prospects against prior and current periods)
electronic forms
overdue accounts and debt recovery procedures
exception reports

Discrepancies may include:

expenditure report mismatches
incorrect payments
absence of audit trails
inappropriate authorisations
variances from budget and phasings
unreconciled cash flows and operating statements
incorrect report formats

Transactions may include:

purchases
payments
journal entries
receipting
financial adjustments (eg write-offs, revaluations)

Taxation and other liabilities may include:

State Government charges (eg Payroll Taxes)
Goods and Services Tax (GST)
Corporate Tax
Capital Gains Tax (CGT)
Fringe Benefits Tax (FBT)
superannuation requirements
wine equalisation tax

Unit Sector(s)

Not applicable.

Relationship to other units

This unit replaces FNSACCT505A.

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